GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3055
ANSWERED ON:08.12.2000
SALE OF RICE BY FCI
CHANDRA NATH SINGH

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the information has since been collected;

(b) if so, the details thereof;

(c) the action taken by the Government thereon; and

(d) if not the time by which it is likely to be collected?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI CHAUHAN)

(a) & (b) : FCI, Regional Office, Lucknow had invited tenders for saleof 46094.3 MTs of different categories of rice through an advertisement in the Newspapers on 27.5.97. The tenders were opened on 13.6.97 but kept in abeyance on a complaint lodged by U.P. Millers Association. However, permission to dispose of rice was given in October, 1997. A quantity of 8864.4 MT was sold. The remaining quantity could not be sold due to stay granted by the High Court of Allahabad (Lucknow Branch) on a writ petition filed by one of the tenders. In November, 1997 a decision was taken to sell rice at a fixed price. The tenders opened on 13.6.97 were, therefore, scrapped. M/s Gopal Rai Shri Ram, Delhi who quoted highest rates for threelots of rice filed a complaint against FCI before the Director General of Investigation & Registration (DGIR), Department of Company Affairs, New Delhi alleging unfair trade practice on the part of FCI.

(c) & (d) : DGIR has initiated investigation under Section 11(2) of the MRTP Act, 1969 by issuing probe letter dated 19.2.99 After the probe is completed, the DGIR will, if necessary, file an application before the MRTPwhich is a quasi-judicial body. The MRTP decides such cases on merits.